



Questionnaire 2

HCCH Judgments Project

National/Regional Group: NORWAY

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Questions

- 1) Relating to Article 2(1)(m) of the November 2017 Draft Convention:

“This Convention shall not apply to the following matters - ... [(m) intellectual property rights [and analogous matters].”

- a) Should any intellectual property rights be included in the scope of the Convention? Please explain why or why not.

Answer: YES. It is thought that including in the scope of the Convention judgments and other decisions on IP rights is a more practical and straightforward approach than exempting them and trying to draft and agree a separate Convention for the recognition and enforcement of judgments in this area. Admittedly, the recognition and enforcement of judgments and decisions concerned with IP rights raise some particular issues, but the Norwegian group is not convinced that they cannot be satisfactorily dealt with in the presently proposed Convention.

Please answer Questions 1)b)-d) even if you have answered NO to Question 1)a) (you may e.g. have views on the definition anyway, for the event intellectual property rights would be included)

- b) Should intellectual property rights be included in the scope of the Convention, what should be included within the concept of “intellectual property”? For example, should the concept of "intellectual property" be limited to the "traditional" intellectual property rights, e.g. patents, designs, trademarks, copyright? Alternatively, should the concept of "intellectual property" also include related rights, such as rights relating to trade secrets, rights arising from licences, unfair competition, etc.? Please explain and specify why or why not certain types of "intellectual property" should be included or excluded.

Answer: All traditional intellectual property rights, and also trade secrets rights, unfair competition and rights arising under licenses should be included.

- c) Do you think the wording "... and analogous matters" is clear enough? Please explain why or why not.

Answer: The wording "...and analogous matters" is not very clear for the purpose of defining what should be excluded from the scope of the Convention. However, having answered YES to Question 1) b) the Norwegian group neither favours an exclusion of IP rights, nor of "analogous matters", regardless of what is intended by the wording.

- d) Please provide any proposals regarding the refinement of the wording of Article 2(1)(m) of the Draft Convention.

Answer: assuming that there is to be an exclusionary clause such as Article 2(1)(m) in the Convention , it could read: "intellectual property rights whether or not they are required to be granted or registered, trade secrets rights, rights or claims based on unfair competition law, however not contractual rights, even if they relate to any of the said rights"

- 2) Relating to Article 5(3)(a) of the November 2017 Draft Convention:

"Paragraph 1 does not apply to a judgment that ruled on an intellectual property right or an analogous right. Such a judgment is eligible for recognition and enforcement if one of the following requirements is met –

(a) the judgment ruled on an infringement in the State of origin of an intellectual property right required to be granted or registered and it was given by a court in the State in which the grant or registration of the right concerned has taken place or, under the terms of an international or regional instrument, is deemed to have taken place[, unless the defendant has not acted in that State to initiate or further the infringement, or their activity cannot reasonably be seen as having been targeted at that State;,"

- a) Should a judgment that ruled on the infringement of an intellectual property right required to be granted or registered only be eligible for recognition and enforcement if given by a court of the contracting state in which the intellectual property right in question was granted or is registered? Please explain why or why not.

Answer: NO, only to the extent that the defendant relies on the alleged invalidity of an intellectual property right required to be granted or registered, should the judgment be ineligible for recognition and enforcement, unless given by a court of the state in which the IP right in question was granted or registered.

- b) Should there be an exclusion in the case were the defendant has not acted in that State or their activity cannot reasonably be seen as having been targeted at that State? Please explain why or why not.

Answer: In the Norwegian group's opinion, the said situations should not warrant an exclusion, as long as the judgment is issued by a court that has jurisdiction.

- c) Should there be an exclusion in the case of purely inter partes judgments? Please explain why or why not.

Answer: NO. As mentioned in the answer to Q 2) a) above, only if the defendant's case is that the IP right is invalid should there be an exclusion. Validity cases should not result in inter partes judgments.

- 3) Relating to Article 5(3)(b) of the November 2017 Draft Convention:

“Paragraph 1 does not apply to a judgment that ruled on an intellectual property right or an analogous right. Such a judgment is eligible for recognition and enforcement if one of the following requirements is met –

...

(b) the judgment ruled on an infringement in the State of origin of a copyright or related right, an unregistered trademark or unregistered industrial design, and it was given by a court in the State for which protection was claimed [, unless the defendant has not acted in that State to initiate or further the infringement, or their activity cannot reasonably be seen as having been targeted at that State;”

- a) Should a judgment that ruled on the infringement of a copyright or related rights, an unregistered trademark or unregistered industrial design, only be eligible for recognition and enforcement if given by a court in the State for which protection is claimed? Please explain why or why not.

Answer: NO. It is not uncommon for courts to have to apply foreign law. Only judgments that imply a judicial review of administrative acts of the government of another country, such as deciding on the validity of a patent or registered trademark, should be ineligible for recognition and enforcement.

- b) Should there be an exclusion in the case were the defendant has not acted in that State or their activity cannot reasonably be seen as having been targeted at that State? Please explain why or why not.

Answer: NO. If the defendant can be sued in a state, e.g. because that is where it is habitually resident, the fact that its activity did not occur in a State for which protection is claimed, or was not directed at it, should not exclude the judgment from recognition. It would put a potentially enormous burden on the right owner if it had to bring legal action against an infringer in every State where the infringement allegedly occurred. It is preferable to acknowledge and allow the enforcement of judgments of the courts of one , state where the rights have been infringed, or even in a state where no infringement is alleged to have occurred, but where the defendant has a venue on account of being domiciled.

- c) Should there be a requirement that the infringement in question is actionable in both the State in which the judgment was issued, and in the State in which the judgment is sought to be enforced? Please explain why or why not.¹

¹ There has been a ‘double actionability’ requirement in the laws of some states. If, for example, the defendant commits acts in state A which amount to a tort in state A but is sued in state B for that tort, does the tort need

Answer: NO. Again it is not uncommon for courts to have to apply foreign law when deciding civil or commercial matters.

- 4) Relating to Article 5(3)(c) of the November 2017 Draft Convention:

“Paragraph 1 does not apply to a judgment that ruled on an intellectual property right or an analogous right. Such a judgment is eligible for recognition and enforcement if one of the following requirements is met –

...

(c) the judgment ruled on the validity[, subsistence or ownership] in the State of origin of a copyright or related right, an unregistered trademark or unregistered industrial design, and it was given by a court in the State for which protection was claimed.”

- a) Should a judgment that ruled on the validity, subsistence or ownership of a copyright or related right, an unregistered trademark or unregistered industrial design only be eligible for recognition and enforcement if given by a court in the State for which protection is claimed? Please explain why or why not.

Answer: NO, for the same reasons as set out in our answer to Question 3) a).

- b) Should there be a requirement that the validity, subsistence or ownership referred to in Article 5(3)(c) is actionable in both the State in which the judgment was issued, and in the State in which the judgment is sought to be enforced? Please explain why or why not.

Answer: NO, for the same reason as given in the answer to Question 3) c).

- 5) See Article 6(a) of the November 2017 Draft Convention; and also Article 8(3) of the November 2017 Draft Convention:

- a) Should a judgment that ruled on the validity of an intellectual property right only be eligible for recognition and enforcement if given by a court of a contracting State in which grant or registration has taken place? Please explain why or why not.

Answer: YES, the reason being that a decision on validity of an intellectual property right implies a judicial review of an administrative act of a government agency (the Intellectual Property Office) of the state in which grant or registration has taken place. Such judicial reviews cannot and should not be left for the courts of other states to conduct.

- b) In your jurisdiction, does the word “validity” subsume “registration”? If not, are they related, and if so, how?

Answer: In practice, validity subsumes registration, in that the issue concerns an act of public authority, which becomes the subject of review. The effect of

to be an actionable tort in both states A and B or just in state A? This is especially relevant for territorial rights such as intellectual property rights. In relation to copyright infringement, this question arose in the UK case of *Pearce v Ove Arup Partnership Ltd* [2000] Ch 403, in which the Court of Appeal held that a claim in England for infringement of a Dutch copyright was permitted, and in New Zealand in *KK Sony Computer Entertainment v Van Veen* (2006) 71 IPR 179.

a declaration of invalidity or revocation is "ex tunc", whereas some other terminations, such as the cancellation for non-use of a trademark would be "ex nunc". With regard to intellectual property rights not required to be granted or registered, the question is more one of whether the right ever came into existence, as there is no public authority that has made a decision on the matter. Hence, it is not a review of a decision, but a scrutiny of a claim by somebody that he/she owns a right.

- c) Should there be an exception in the case of purely inter partes validity judgments? For example, if validity is subsidiary to infringement and a finding regarding validity is only effective as between the parties in the infringement case, or if the validity judgment only acquires in rem effect once it has been fully appealed and becomes final. Please explain why or why not.

Answer: NO, there should in fact not be any *inter partes* validity judgments.

- 6) Should a decision from a body other than a court, such as a branch of government or an Intellectual Property Office, in relation to an intellectual property right required to be granted or registered have the same status under Articles 5(3), 6(a) and 8(3) of the Draft Convention as decisions of a court (particularly in view of the fact that it is not just courts that can revoke intellectual property rights, but e.g. also national and regional offices)? Please explain why or why not.

Answer: Decisions from bodies other than courts in relation to intellectual property right required to be granted or registered should have the same status under Articles 5(3)(c), 6(a) and 8(3) as decisions of the courts, it being understood that all decisions by bodies other than courts should be subject to judicial review. However the Norwegian group does not believe that this should apply to decisions on infringement of intellectual property rights, which are better dealt with by the courts.

- 7) Relating to Article 8(3) of the November 2017 Draft Convention:

"However, in the case of a ruling on the validity of a right referred to in Article 6, paragraph (a), recognition or enforcement of a judgment may be postponed, or refused under the preceding paragraph, only where –

(a) that ruling is inconsistent with a judgment or a decision of a competent authority on that matter given in the State referred to in Article 6, paragraph (a); or

(b) proceedings concerning the validity of that right are pending in that State.

A refusal under sub-paragraph (b) does not prevent a subsequent application for recognition or enforcement of the judgment."

- a) Should the wording of Article 8(3) of the Draft Convention be adjusted, particularly in view of the fact that in intellectual property matters, it is not just courts that can e.g. revoke intellectual property rights (see also above)? Please explain why or why not.

Answer: Yes. Since in some jurisdictions, bodies other than courts can decide in some validity cases, e.g. oppositions or administrative revocation cases, their decisions should be recognized and enforced subject to being final, no further appeals being available. The Draft Convention's defined scope of decisions eligible for recognition and enforcement should be adjusted to reflect this. However, that transcends the scope of this Question 7.

- b) Please provide any proposals regarding the refinement of the wording of Article 8(3) of the Draft Convention.

Answer: here is a proposal for a refined wording.

"However, in the case of a ruling on the validity of a right referred to in Article 6, paragraph (a), recognition or enforcement of a judgment or a decision by a competent authority may be postponed, or refused under the preceding paragraph, only where –

(a) that ruling is not final and further judicial or administrative appeals are still available against it inconsistent with a judgment or a decision of a competent authority on that matter given in the State referred to in Article 6, paragraph (a); or and

(b) no proceedings concerning the validity of that right are pending in that State.

A refusal ~~under sub-paragraph (b)~~ as mentioned does not prevent a subsequent application for recognition or enforcement of the judgment."

- 8) Should the application of a law other than the internal law of the State of origin of a judgment ruled on an infringement of an intellectual property right be a ground for refusal for recognition or enforcement? Please explain why or why not.

(see Article 7(1)(g) of the November 2017 Draft Convention)

Answer: NO. To the extent that the existence or validity of the intellectual property right was not in dispute, and the judgment only ruled on infringement, it should not be a ground for refusal for recognition or enforcement that a court of the State of origin applied a law other than its internal law.

- 9) See Article 11 of the November 2017 Draft Convention:

- a) Should the Convention only cover judgments ruling on an infringement to the extent that they rule on a monetary remedy in relation to harm suffered in the State of origin (in addition to the enforceability of a cost award, see Article 15 of the Draft Convention)? Please explain why or why not.

Answer: NO, the Convention should cover judgments ruling on monetary remedies for infringement in relation to harm suffered in any territory in respect of which invalidity of the intellectual property right is not claimed as a defence.

- b) Do you agree with the reformulation of Article 11 (previously 12)? Please explain why or why not.

(see also Article 12 of the February 2017 Draft Convention)

Answer: NO, the Norwegian group does not agree with the reformulation of Article 11 (previously 12). Whilst the reformulated Article 11 allows for recognition and enforcement of parts of a judgment the previous Article 12 stated that a judgment that grant other remedies than monetary remedies will not be enforceable under the Convention. That is a sensible reformulation. However, the Norwegian group does not support the limitation that consists in excluding from recognition and enforcement monetary remedies in relation to harm suffered in other territories than the State of origin, the reason being that this it diminishes the relevance and benefits of the Convention too much.

- c) If you have answered NO to Question 9)b), how could the wording of Article 11 be refined? Please explain why or why not.

Answer: Proposed refined wording could read: *"In intellectual property matters, a judgment ruling on an infringement shall be recognised and enforced only to the extent that it rules on a monetary remedy."*

- 10) Should there be a rule, such as res judicata, to prevent the re-litigation of issues which have already been determined by the court of a State? Please explain why or why not.

Answer: YES, there should be a res judicata rule. Without such a rule, there would be no end to litigation, and it is questionable what benefits can be taken from the Convention.

- a) If YES, should the rule only apply between the same parties, and in relation to issues that have been finally determined with no possible appeals remaining?

Answer: YES

- b) If YES, should res judicata only apply in the case of in rem judgments, or also in the case of inter partes judgments? In particular, should a prior inter partes determination of validity prevent the later re-litigation of validity, e.g. if new prior art is found which is said to invalidate a patent?

Answer: Res judicata should apply both in the case of in rem judgments and inter partes judgments. The Norwegian group believes that inter partes validity judgments should not be available. However, assuming that they are, an inter partes determination of validity should prevent later litigation of validity between the same parties, unless the later litigation is based on new evidence and/or new grounds for revocation/invalidity.

- 11) To the extent not yet mentioned above (e.g in your reply to question 1) above) do you have concerns in relation to res judicata rules possibly being applicable (e.g. through national laws) should intellectual property be included within the scope of the Draft Convention? Please explain your concerns and potential ways to address those.

Answer: NO

12) Do you have any other comments (including wording suggestions) in relation to the intellectual property related aspects of the Draft Convention?

Answer: NO, we have no further comments.

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